## AMENDED IN ASSEMBLY JANUARY 6, 2014 AMENDED IN ASSEMBLY MARCH 14, 2013

CALIFORNIA LEGISLATURE—2013-14 REGULAR SESSION

## ASSEMBLY BILL

No. 510

## **Introduced by Assembly Member Ammiano**

February 20, 2013

An act to-amend repeal and add Section 84511 of the Government Code, relating to the Political Reform Act of 1974.

## LEGISLATIVE COUNSEL'S DIGEST

AB 510, as amended, Ammiano. Political Reform Act of 1974: advertisement disclosures.

The Political Reform Act of 1974 requires a committee that makes an expenditure of \$5,000 or more to an individual for his or her appearance in an advertisement to support or oppose the qualification, passage, or defeat of a ballot measure to file a report, as specified, and to include in the advertisement a statement regarding payment of the individual by the committee or its donors.

This bill, in addition, would require a committee to comply with these requirements with regard to an expenditure of any amount to an individual for his or her appearance in an advertisement to support or oppose the qualification, passage, or defeat of a ballot measure if the advertisement states or otherwise communicates that the individual is a practitioner or member of a profession having expertise or specialized knowledge relating to the subject of the measure.

Existing law makes a knowing or willful violation of the Political Reform Act of 1974 a misdemeanor and subjects offenders to criminal penalties.

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This bill would impose a state-mandated local program by creating additional crimes.

This bill would impose additional requirements on a committee that makes an expenditure of any amount to an individual for his or her appearance in an advertisement that supports or opposes the qualification, passage, or defeat of a ballot measure and that states or suggests that the individual is a member of an occupation that requires licensure, certification, or other specialized, documented training as a prerequisite to engage in that occupation. The bill would also require the committee to file a report that identifies, among other things, the individual's occupation. The bill would require the committee to include a specified disclosure statement in the advertisement indicating that the individuals are compensated spokespersons and not necessarily employed in the occupations portrayed. The bill would authorize a committee to petition the Fair Political Practices Commission for a waiver of the disclosure statement requirement, which the Commission would be required to grant if prescribed conditions are satisfied.

A violation of the act's provisions is punishable as a misdemeanor. By expanding the scope of an existing crime, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

The Political Reform Act of 1974, an initiative measure, provides that the Legislature may amend the act to further the act's purposes upon a  $\frac{2}{3}$  vote of each house and compliance with specified procedural requirements.

This bill would declare that it furthers the purposes of the act.

Vote: <sup>2</sup>/<sub>3</sub>. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 84511 of the Government Code is
- 2 amended to read:
- 3 84511. (a) (1) A committee that makes an expenditure of five
- 4 thousand dollars (\$5,000) or more to an individual for his or her
- 5 appearance in an advertisement to support or oppose the

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qualification, passage, or defeat of a ballot measure shall file a report within 10 days of the expenditure.

- (2) A committee that makes an expenditure of any amount to an individual for his or her appearance in an advertisement to support or oppose the qualification, passage, or defeat of a ballot measure shall file a report within 10 days of the expenditure if the advertisement states or otherwise communicates that the individual is a practitioner or member of a profession having expertise or specialized knowledge relating to the subject of the measure.
- (b) A report required by subdivision (a) shall identify the measure, the date of the expenditure, the name of the recipient, and the amount expended.
- (c) An advertisement for which a report is required by subdivision (a) shall include the statement "(spokesperson's name) is being paid by this campaign or its donors" in highly visible roman font shown continuously, if the advertisement consists of printed or televised material, or spoken in a clearly audible format, if the advertisement is a radio broadcast or telephone message.
- SECTION 1. Section 84511 of the Government Code is repealed.
- 84511. (a) A committee that makes an expenditure of five thousand dollars (\$5,000) or more to an individual for his or her appearance in an advertisement to support or oppose the qualification, passage or defeat of a ballot measure shall file a report within 10 days of the expenditure. The report shall identify the measure, the date of the expenditure, the name of the recipient, and the amount expended.
- (b) The advertisement shall include the statement "(spokesperson's name) is being paid by this campaign or its donors" in highly visible roman font shown continuously if the advertisement consists of printed or televised material, or spoken in a clearly audible format if the advertisement is a radio broadcast or telephone message.
- SEC. 2. Section 84511 is added to the Government Code, to read:
- 36 84511. (a) This section applies to a committee that does either 37 of the following:
- 38 (1) Makes an expenditure of five thousand dollars (\$5,000) or 39 more to an individual for his or her appearance in an

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1 advertisement that supports or opposes the qualification, passage,
2 or defeat of a ballot measure.

- (2) Makes an expenditure of any amount to an individual for his or her appearance in an advertisement that supports or opposes the qualification, passage, or defeat of a ballot measure and that states or suggests that the individual is a member of an occupation that requires licensure, certification, or other specialized, documented training as a prerequisite to engage in that occupation.
- 9 (b) A committee described in subdivision (a) shall file, within 10 10 days of the expenditure, a report that includes all of the 11 following:
- 12 (1) An identification of the measure that is the subject of the 13 advertisement.
  - (2) The date of the expenditure.
  - (3) The amount of the expenditure.
  - (4) The name of the recipient of the expenditure.
  - (5) For a committee described in paragraph (2) of subdivision (a), the occupation of the recipient of the expenditure.
  - (c) An advertisement paid for by a committee described in paragraph (1) of subdivision (a) shall include a disclosure statement stating "(spokesperson's name) is being paid by this campaign or its donors" in highly visible roman font shown continuously if the advertisement consists of printed or televised material, or spoken in a clearly audible format if the advertisement is a radio broadcast or telephonic message.
  - (d) (1) An advertisement paid for by a committee described in paragraph (2) of subdivision (a) shall include a disclosure statement stating "Persons portraying members of an occupation in this advertisement are compensated spokespersons not necessarily employed in those occupations" in highly visible roman font shown continuously if the advertisement consists of printed or televised material, or spoken in a clearly audible format if the advertisement is a radio broadcast or telephonic message.
  - (2) A committee may petition the Commission for a waiver of the disclosure statement required by this subdivision. The Commission shall grant the waiver if all of the following are satisfied with respect to each individual identified in the report filed pursuant to subdivision (b) for that advertisement:
- 39 (A) The occupation identified in the report is substantially 40 similar to the occupation portrayed in the advertisement.

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(B) The committee submits credible documentation of the appropriate license, certification, or other training to the Commission as evidence that the individual may engage in the occupation identified in the report and portrayed in the advertisement.

SEC. 2.

SEC. 3. No reimbursement is required by this act pursuant to Section 6 of Article XIIIB of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIIIB of the California Constitution.

SEC. 3.

SEC. 4. The Legislature finds and declares that this bill furthers the purposes of the Political Reform Act of 1974 within the meaning of subdivision (a) of Section 81012 of the Government Code.